

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 5335

IN THE MATTER OF:

Served May 13, 1998

Investigation of INTERSTATE)
TAXICAB RATES for Service within)
the Metropolitan District and)
Related Matters)

Case No. MP-98-04

SUMMARY

For District of Columbia taxicabs operated in interstate service within the Metropolitan District, the effect of this decision is to:

1. increase the initial charge from \$2 for the first 1/2 mile to \$2.25 for the first 1/2 mile; and
2. increase the charge for each additional 1/2 mile from 70¢ to 75¢.

For taxicabs of Washington-Dulles Transportation, Ltd., the effect of this decision is to:

1. increase the initial charge from \$1.50 for the first 1/7 mile to \$1.75 for the first 1/6 mile; and
2. increase the charge for subsequent mileage from 20¢ for each additional 1/7 mile to 25¢ for each additional 1/6 mile.

Effective date: Monday June 1, at 4 a.m.

Background

By Order No. 5279, served February 23, 1998, and incorporated herein by reference, the Commission, on its own initiative, instituted this investigation to determine what, if any, changes should be made to the rates, charges, regulations, and minimum insurance requirements for taxicabs providing interstate transportation within the Metropolitan District. The Commission directed its Staff to file a report and analysis no later than March 23, 1998. In addition, the Commission provided an opportunity for the filing of written proposals and justifications no later than March 23, 1998. Notice of the investigation was published in a newspaper of general circulation in the Metropolitan District as directed by Order No. 5279. On March 23, 1998, the Chairman of the District of Columbia Taxicab Commission (DCTC) filed a proposal and justification. On March 23, 1998, the Commission's Staff filed its report.

District of Columbia Taxicab Commission

The prescribed waiting-time rate for District of Columbia taxicabs is currently formulated by both DCTC and WMATC as follows:

Less than 5 min. -- no charge
5 min. to 9 min., 59 sec. -- \$1.50
10 min. to 14 min., 59 sec. -- \$3.00
1/4 hr. or more -- prorated at \$20/hr.

DCTC's Chairman proposed the following formulation:

Less than 5 min. -- no charge
5 min. to 10 min. -- \$1.50
10 min. to 15 min. -- \$3.00
15 min. or fraction thereof -- \$5.00

The Staff Report

The Staff report is just three pages. It contains six tables useful enough to warrant inclusion of the report as Appendix A to this order. By doing so we can refer to the data without having to reproduce it in the body of this order.

Discussion and Conclusions

In support of the proposal concerning the waiting-time formulation for District of Columbia taxicabs, the Chairman of DCTC asserts that "elimination of the references to seconds will make it easier for passengers and taxicab operators to keep track of and calculate the charge for waiting time." In addition, we note the current formulation provides that after the first 15 minutes the charge will be prorated at \$20 per hour. It is left to the taxicab operator to determine on what basis to calculate the proration. This has the potential for honest but uneven application of the charge from one taxicab to the next. The DCTC Chairman's proposal would overcome the problem by specifying that the charge will be applied at \$5 for each 15 minute increment or fraction thereof, after the first 15 minutes. The proposal will be adopted.

Staff's Table A shows the existing authorized rates for metered taxicabs providing intrastate and interstate service within the Metropolitan District. After converting these fractional rates to whole miles in Table C, Staff then calculated the mean (arithmetic average), median (middle value), and mode (most frequently occurring value) in Table E. Excluding WMATC-prescribed rates, Table E shows the mean first-mile rate is \$2.92, the median is \$3.00, and the mode is \$3.00. The Commission concludes that a first-mile rate of \$3.00 is appropriate.

As for subsequent miles, the range of statistical measures is \$1.48 to \$1.50. This very narrow range reflects the fact that four of the five jurisdictions shown on Table A have a \$1.50 subsequent-mile rate, while one jurisdiction has a \$1.40 rate. As a result, both the median and mode are \$1.50. The Commission concludes that a subsequent-mile rate of \$1.50 is appropriate.

Similarly, the extra-passenger charge¹ is \$1 in four of the five jurisdictions shown on Table A. The fifth is \$1.25. The Commission believes the Staff report could have included in its calculations the intra-District of Columbia extra-passenger charge, which is \$1.25. Thus, excluding WMATC-prescribed rates, we reconstruct the extra-passenger columns of Tables C and E as follows:

<u>JURISDICTION</u>	<u>EXTRA PAX</u>
ALEXANDRIA	\$1.25
DISTRICT OF COLUMBIA	1.25
ARLINGTON	1.00
FAIRFAX	1.00
MONTGOMERY	1.00
PRINCE GEORGE'S	1.00
MEAN	1.08
MEDIAN	1.00
MODE	1.00

The result is the mean value alone increased by just 3¢ over Staff's calculation. The Commission finds that no change in the uniform interstate extra-passenger charge of \$1 is warranted.

With the exceptions we have historically found necessary and appropriate to interstate rates, we shall adopt the remaining incidental charges currently prescribed by the District of Columbia Taxicab Commission to be applicable to interstate taxicab service in District of Columbia taxicabs. As we have done in the past, we shall also adopt the same incidental charges for interstate taxicab service by Washington-Dulles Transportation, Ltd. (WDT), except for modifications necessitated by the nature of WDT's operations and the fact that WDT employs taximeters.

WDT's waiting time is calculated automatically by meter, rather than by hand using a clock or watch as with District of Columbia taxicabs. The table below shows the waiting-time rates for metered jurisdictions in descending magnitude.

<u>JURISDICTION</u>	<u>RATE</u>	<u>PER HOUR</u>
MONTGOMERY	\$18/hr. under 13 mph	\$18
ALEXANDRIA	25¢ ea. 57 seconds	\$16
ARLINGTON	25¢ ea. 57 seconds	\$16
FAIRFAX	25¢ ea. 60 seconds	\$15
PRINCE GEORGE'S	20¢ ea. 60 seconds	
	under 12 mph	\$12

District of Columbia waiting time is prorated at \$20 per hour after the first 15 minutes. In addition, there is a peak-period surcharge of \$1.00 for each trip beginning between 7 a.m. and 9:30 a.m., and between 4 p.m. and 6:30 p.m., weekdays except holidays. (See Appendix B for details.) The peak-period surcharges, which are not applied to metered rates, as well as the higher hourly rate, tend

¹ For the extra-passenger calculation Staff has disregarded, for the sake of expedience, the significantly differing applicability provisions summarized in Table A of its report.

to offset the fact that meters calculate waiting time whenever the taxicab is stopped or traveling very slowly. Accordingly, we have excluded the District of Columbia rate from this comparison.

The mean waiting-time rate for metered jurisdictions is \$15.40 per hour; the median and mode are both \$16 per hour. We shall prescribe a metered waiting-time rate for WDT taxicabs of 25¢ each 57 seconds, which comes to \$16 per hour.

Given the fact that there are a half-dozen taxicab rate setting jurisdictions within the Metropolitan District, it is our objective to maintain interstate rates at a level of comparability and compatibility that will produce maximum achievable uniformity with the least disruption to locally implemented rate schemes. Within unavoidable limitations, we try to assure that an interstate passenger's fare varies as little as possible between the same two points and to eliminate wide fluctuations in fares based only on the direction of travel.

The Commission defined its philosophy of taxicab ratemaking in Order No. 1500, served February 13, 1976, and has found it useful to restate it in subsequent rate orders:

The Commission has never believed it should lead the way in setting taxicab rates. Each of the local rate setting jurisdictions is especially familiar with the requirements of both the users and providers of taxicab service in the local market. Each carefully establishes its rates through appropriate proceedings. Where practicable, the Commission simply adopts these local rates as the interstate rates. This practice has been followed since our Order No. 67, served October 9, 1961. [Footnote omitted.]

* * *

We further believe that the essential element in our determination of the appropriate rate structure should be comparability with prevailing local rates. We believe that revenues and expenses are given adequate consideration at the local level by authorities more acutely in tune with sub-regional conditions and requirements. From a regulatory point of view, an effort should be made to neither unduly restrain nor enhance the rate scheme which the local jurisdiction has determined to be appropriate. In addition, the Compact requires the establishment of fares which are just, reasonable, and not unduly preferential or unduly discriminatory either between riders or sections of the Metropolitan District. Therefore, we shall prescribe interstate rates for District of Columbia taxicabs on a mileage basis in an effort to establish fares which will be comparable to the local and interstate fare[s] resulting from rates prescribed by the local jurisdictions.

Based upon all the foregoing considerations, we find that the current interstate taxicab rates for taxicabs licensed and regulated

by the District of Columbia are neither appropriate nor comparable to such rates for similar taxicab service in other local jurisdictions. We further find that the rates set forth in Appendix B to this decision are just, reasonable, appropriate, and comparable. The effect is to adopt the following rate structure:

\$2.25 First 1/2 mile or fraction
75¢ Each additional 1/2 mile or fraction

We continue to be convinced that larger mileage increments are important to facilitate computations from the odometer. The rates prescribed herein represent both the median and mode of rates for similar service in the Metropolitan District and are only slightly higher than the unweighted average.

With regard to WDT, we find that its interstate rates should be the same as those prescribed for District of Columbia taxicabs as adapted to WDT's operating circumstances and use of taximeters as discussed earlier. We find that the rates set forth in Appendix C to this decision are just, reasonable, appropriate, and comparable. These rates are adapted for use on taximeters as follows:

\$1.75 First 1/6 mile or fraction
25¢ Each additional 1/6 mile or fraction

Concerning so-called "gypsy" taxicab operations -- unlawful taxicab service not authorized by any local licensing jurisdiction -- we have found it useful in the past to prescribe an interstate rate as an enforcement mechanism in the event such operations should occur as, indeed, they have in the past. This concept is apparent through our Order No. 1295, served December 28, 1973; Order No. 1502, served February 13, 1976; Order No. 1984, served April 19, 1979; Order No. 2215, served April 13, 1981; Order No. 2336, served May 7, 1982; Order No. 2719, served June 17, 1985; Order No. 3058, served August 17, 1987; and Order No. 3938, served May 13, 1992. We find that these rates should be the same as those prescribed herein for District of Columbia taxicabs, and they are set forth in Appendix D to this decision.

Consistent with our past practice, we find that the minimum insurance requirements for interstate taxicab service in District of Columbia taxicabs, WDT taxicabs, and "gypsy" taxicabs should be the same as required by the District of Columbia for its taxicabs. The minimum insurance requirements for interstate taxicab service in taxicabs licensed by other jurisdictions in the Metropolitan District are the same as those required by the licensing jurisdiction.

Finally, we specifically note that in over 35 years of regulating interstate taxicab rates in the Metropolitan District this Commission has consistently rejected the idea of "snow emergency rates." In Order No. 2067, served December 6, 1979, the Commission first included a definite negative provision concerning snow emergency rates to establish its position beyond question. This issue was later discussed in Order No. 2334, served May 7, 1982, to the same end. We reiterate and adhere to that position.

THEREFORE, IT IS ORDERED:

1. That the investigation in Case No. MP-98-04 instituted by Order No. 5279, served February 23, 1998, is hereby concluded.

2. That the rates and charges for transportation of passengers in interstate service between points within the Metropolitan District in taxicabs licensed and regulated by the District of Columbia are hereby prescribed as set forth in Appendix B to this order, effective 4 a.m., Monday, June 1, 1998.

3. That the rates and charges for transportation of passengers in interstate service between points in the Metropolitan District in taxicabs of Washington-Dulles Transportation, Ltd., are hereby prescribed as set forth in Appendix C to this order, to be implemented on the taximeters of Washington-Dulles Transportation, Ltd., within 30 days after Monday, June 1, 1998.

4. That Washington-Dulles Transportation, Ltd., shall file with the Commission a Report of Compliance as required by Commission Rule No. 28.

5. That the rates and charges for transportation of passengers in interstate service between points in the Metropolitan District in taxicabs which are not licensed and regulated by one of the local jurisdictions within the Metropolitan District, or for which taxicab rates have not already been specifically established by this Commission, are hereby prescribed as set forth in Appendix D to this order, effective 4 a.m., Monday, June 1, 1998.

6. That the minimum insurance requirements for operations to which Appendices B, C, and D pertain shall be the same as those required by the District of Columbia for its taxicabs.

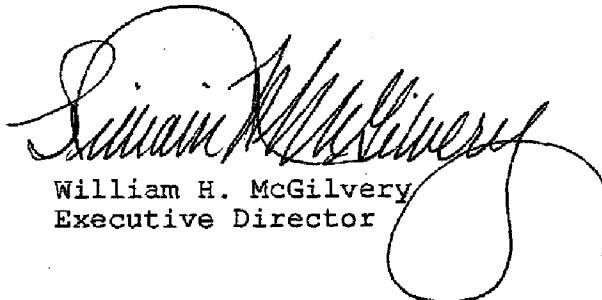
7. That the extra-passenger charge for transportation of passengers in interstate service between points in the Metropolitan District in taxicabs licensed and regulated by any of the local jurisdictions within the Metropolitan District shall continue to be:

\$1.00 Each additional passenger in a pre-formed party (provided, however, that one child five (5) years of age or younger shall be transported without charge for each individual of at least sixteen (16) years of age in a pre-formed party).

8. That the rates and charges for transportation of passengers in interstate service between points in the Metropolitan District in taxicabs licensed and regulated by one of the local jurisdictions in the Metropolitan District, and to which Appendices B, C, or D do not pertain, shall be the same as the rates and charges prescribed by the jurisdiction in which such taxicab is licensed, except as otherwise provided herein.

9. That the minimum insurance requirements for interstate operations of taxicabs described in the preceding paragraph shall be the same as the requirements of the jurisdiction in which such taxicab is licensed.

BY DIRECTION OF THE COMMISSION: COMMISSIONERS ALEXANDER, LIGON, AND MILLER:



William H. McGilvery
Executive Director

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

STAFF REPORT

IN THE MATTER OF:

Filed March 23, 1998

Investigation of INTERSTATE)
TAXICAB RATES for Service within)
the Metropolitan District and)
Related Matters)

Case No. MP-98-04

By Order No. 5279, served February 23, 1998, the Commission instituted the above-captioned investigation to determine what, if any, changes should be made with regard to the rates, charges, regulations, and minimum insurance requirements for taxicabs providing interstate transportation within the Metropolitan District. In connection with this investigation, the Commission directed Staff to file a report and analysis no later than March 23, 1998.

Staff has reviewed the existing authorized rates for metered taxicabs providing intrastate and interstate taxicab service within the Metropolitan District. The rates are summarized below by licensing jurisdiction.

TABLE A

<u>JURISDICTION</u>	<u>INITIAL CHARGE</u>	<u>SUBSEQUENT</u>	<u>EXTRA PAX</u>	<u>WAITING</u>
FAIRFAX	\$1.90 1 st 1/6 mi.	25¢ ea. 1/6 mi.	\$1 ea. 12 or older	25¢ ea. 60 sec.
MONTGOMERY	\$1.80 1 st 1/6 mi. (after 15 miles: 20¢ ea. 1/6 mi.)	25¢ ea. 1/6 mi.	\$1 ea. 5 years or older	\$18/hr. under 13 m.p.h.
ALEXANDRIA	\$1.50 drop only (no mileage)	25¢ ea. 1/6 mi.	\$1.25 ea. 2 years or older	25¢ ea. 57 sec. \$16/hr.
ARLINGTON	\$1.75 1 st 1/6 mi.	25¢ ea. 1/6 mi.	\$1 ea. over 6 years	25¢ ea. 57 sec.
PRINCE GEORGE'S	\$1.20 1 st 1/7 mi.	20¢ ea. 1/7 mi.	\$1 ea., 1 free under 6, Srs. (60) & attendants free	20¢ ea. 60 sec. under 12 m.p.h. Hourly: \$12/hr.

NOTE: For all interstate taxicab service within the Metropolitan District the Commission prescribes the following uniform extra passenger charge:

\$1.00 Each additional passenger in a pre-formed party (provided, however, that one child five (5) years of age or younger shall be transported without charge for each individual of at least sixteen (16) years of age in a pre-formed party.)

The existing interstate rates for District of Columbia taxicabs are prescribed by the Commission on the basis of odometer mileage. The existing interstate taxicab rates for Washington-Dulles Transportation, Ltd. (WDT) -- the taxicab concessionaire at Dulles Airport -- are prescribed by the Commission on a taximeter basis. These rates are summarized below in TABLE B.

TABLE B

<u>JURISDICTION</u>	<u>INITIAL CHARGE</u>	<u>SUBSEQUENT</u>	<u>EXTRA PAX</u>	<u>WAITING</u>
DISTRICT OF COLUMBIA	\$2 1 st 1/2 mi.	70¢ ea. 1/2 mi.	\$1 ea. 1 free under 6 w/ 16 yr. old	To 5 min. free to 10 min. \$1.50 to 15 min. \$3.00 15+ min. \$20/hr.
WDT	\$1.50 1 st 1/7 mi.	20¢ ea. 1/7 mi.	\$1 ea. 1 free under 6 w/ 16 yr. old	20¢ ea. 80 sec. \$9/hr.

To facilitate comparison, the rates in TABLES A and B have been converted to charges for the first mile and for each subsequent mile. The extra-passenger charge also is listed without regard to various applicability provisions. TABLE C is arranged in descending magnitude.

TABLE C

<u>JURISDICTION</u>	<u>FIRST MILE</u>	<u>ADD'L MILE</u>	<u>EXTRA PAX</u>
FAIRFAX	\$3.15	\$1.50	\$1.00
MONTGOMERY	3.05	1.50	1.00
		1.20 after 15 miles	
ALEXANDRIA	3.00	1.50	1.25
ARLINGTON	3.00	1.50	1.00
DISTRICT OF COLUMBIA	2.70	1.40	1.00
WDT	2.70	1.40	1.00
PRINCE GEORGE'S	2.40	1.40	1.00

In TABLE D below, existing interstate taxicab rates have been converted to single-passenger fares for trips of 5, 10, 15, and 20 miles.

TABLE D

<u>JURISDICTION</u>	<u>5 MILES</u>	<u>10 MILES</u>	<u>15 MILES</u>	<u>20 MILES</u>
FAIRFAX	\$9.15	\$16.65	\$24.15	\$31.65
MONTGOMERY	9.05	16.55	24.05	30.05
ALEXANDRIA	9.00	16.50	24.00	31.50
ARLINGTON	9.00	16.50	24.00	31.50
DISTRICT OF COLUMBIA	8.30	15.30	22.30	29.30
WDT	8.30	15.30	22.30	29.30
PRINCE GEORGE'S	8.00	15.00	22.00	29.00

To help assess the comparability of Commission-prescribed rates, TABLE E shows the mean (unweighted arithmetic average), median (middle value), and mode (most frequently occurring value) for the five metered jurisdictions listed on TABLE A. Commission-prescribed rates are as shown on the last line.

TABLE E

	<u>FIRST MILE</u>	<u>ADD'L MILE</u>	<u>EXTRA PAX</u>
MEAN	\$2.92	\$1.48	\$1.05
MEDIAN	3.00	1.50	1.00
MODE	3.00	1.50	1.00
WMATC	2.70	1.40	1.00

To help assess the comparability of Commission-prescribed single-passenger fares resulting from mileage rates, TABLE F shows the mean, median, and mode for the five jurisdictions listed on TABLE A. Commission-prescribed single-passenger fares are shown on the last line.

TABLE F

	<u>5 MILES</u>	<u>10 MILES</u>	<u>15 MILES</u>	<u>20 MILES</u>
MEAN	\$8.84	\$16.24	\$23.64	\$30.74
MEDIAN	9.00	16.50	24.00	31.50
MODE	9.00	16.50	24.00	31.50
WMATC	8.30	15.30	22.30	29.30

Staff recommends that the interstate rates prescribed for District of Columbia and WDT taxicabs be increased to a level consistent with the going rate for mileage-based taxicab service in the Washington Metropolitan District. Based on the analyses presented in TABLES A and C, it does not appear that a change in the Commission-prescribed uniform extra-passenger charge is warranted at this time.

INTERSTATE TAXICAB RATES
FOR TAXICAB SERVICE WITHIN THE
WASHINGTON METROPOLITAN AREA TRANSIT DISTRICT
(in taxicabs licensed and regulated by the District of Columbia)

- \$2.25 First 1/2 mile or fraction
- .75 Each additional 1/2 mile or fraction
- 1.00 Each additional passenger in pre-formed party (provided, however, that one child five (5) years of age or younger shall be transported without charge for each individual of at least sixteen (16) years of age in a pre-formed party)

Hand baggage, including large bags of groceries or articles of similar size, in excess of one piece per passenger shall be charged for at the rate of 50¢ for each such piece. Briefcases and parcels of comparable size shall not be considered as hand baggage.

Trunks or similar large articles shall be charged for at the rate of \$2.00 each. A trunk is herein described as a piece of baggage having a minimum dimension or cubic content in excess of 32 inches by 18 inches by 9 inches or 3 cubic feet, respectively.

The charge for personal service¹ shall be \$1.50; taxicab service in response to a telephone call, \$1.50 in addition to all other authorized charges; dismissal of a taxicab without using it after response to a telephone call, \$1.50 in addition to the charge for responding.

The charge for waiting time² shall be:
Less than 5 min. -- no charge
5 min. to 10 min. -- \$1.50
10 min. to 15 min. -- \$3.00
Each additional 15 minutes or fraction -- \$5.00

There shall be a surcharge of \$1.00 per trip for trips commencing between 7 a.m. and 9:30 a.m. and between 4 p.m. and 6:30 p.m., Monday through Friday, except District of Columbia or federal holidays.

There shall be no additional charge for service during snow emergency periods.

¹A personal service is defined as any service requested by a passenger which requires the taxicab driver to leave the vicinity of the taxicab.

²Waiting time shall include time consumed while taxicab is waiting and available to the passenger at the place to which it has been called. No charge shall be made for premature response to a call. Waiting time shall also apply to stops en route when made at passenger's request.

INTERSTATE TAXICAB RATES
FOR TAXICAB SERVICE PROVIDED BY
WASHINGTON-DULLES TRANSPORTATION, LTD.
WITHIN THE WASHINGTON METROPOLITAN AREA TRANSIT DISTRICT

- \$1.75 First 1/6 mile or fraction
- .25 Each additional 1/6 mile or fraction
- .25 Each 57 seconds waiting time (\$16.00/hour)
- 1.00 Each additional passenger in pre-formed party (provided, however, that one child five (5) years of age or younger shall be transported without charge for each individual of at least sixteen (16) years of age in a pre-formed party)

Hand baggage, including large bags of groceries or articles of similar size, in excess of one piece per passenger shall be charged for at the rate of 50¢ for each such piece. Briefcases and parcels of comparable size shall not be considered as hand baggage.

Trunks or similar large articles shall be charged for at the rate of \$2.00 each. A trunk is herein described as a piece of baggage having a minimum dimension or cubic content in excess of 32 inches by 18 inches by 9 inches or 3 cubic feet, respectively.

The charge for personal service shall be \$1.50. A personal service is defined as any service requested by a passenger which requires the taxicab driver to leave the vicinity of the taxicab.

There shall be no additional charge for service during traffic rush hours or snow emergency periods.

INTERSTATE TAXICAB RATES
FOR TAXICAB SERVICE WITHIN THE

WASHINGTON METROPOLITAN AREA TRANSIT DISTRICT

(in taxicabs not licensed and regulated by any jurisdiction or political subdivision located within the Metropolitan District or for which taxicab rates have not been specifically established by WMATC)

- \$2.25 First 1/2 mile or fraction
- .75 Each additional 1/2 mile or fraction
- 1.00 Each additional passenger in pre-formed party (provided, however, that one child five (5) years of age or younger shall be transported without charge for each individual of at least sixteen (16) years of age in a pre-formed party)

Hand baggage, including large bags of groceries or articles of similar size, in excess of one piece per passenger shall be charged for at the rate of 50¢ for each such piece. Briefcases and parcels of comparable size shall not be considered as hand baggage.

Trunks or similar large articles shall be charged for at the rate of \$2.00 each. A trunk is herein described as a piece of baggage having a minimum dimension or cubic content in excess of 32 inches by 18 inches by 9 inches or 3 cubic feet, respectively.

The charge for personal service¹ shall be \$1.50; taxicab service in response to a telephone call, \$1.50 in addition to all other authorized charges; dismissal of a taxicab without using it after response to a telephone call, \$1.50 in addition to the charge for responding.

The charge for waiting time² shall be:
Less than 5 min. -- no charge
5 min. to 10 min. -- \$1.50
10 min. to 15 min. -- \$3.00
Each additional 15 minutes or fraction -- \$5.00

There shall be a surcharge of \$1.00 per trip for trips commencing between 7 a.m. and 9:30 a.m. and between 4 p.m. and 6:30 p.m., Monday through Friday, except District of Columbia or federal holidays.

There shall be no additional charge for service during snow emergency periods.

¹A personal service is defined as any service requested by a passenger which requires the taxicab driver to leave the vicinity of the taxicab.

²Waiting time shall include time consumed while taxicab is waiting and available to the passenger at the place to which it has been called. No charge shall be made for premature response to a call. Waiting time shall also apply to stops en route when made at passenger's request.